

CAO/Mayor: James F. Huntzicker 545-4514 / SFH / 11-5-08
(Type your name & phone #.) (Initials) (Date)

SUMMARY SHEET

I. Description of Item

Resolution requesting members of the Tennessee General Assembly to support legislation amending Tennessee Code Annotated, Title 67, Chapter 5, Section 2509(d)(4) relative to gifting properties to nonprofit community development organizations.

Land is one of the most important factors in local economic development today and must be managed well to improve existing land use practices, enhance livability of communities, and support local community development. When there are vacant and abandoned properties in communities, neighboring property owners and the municipalities incur significant costs. Shelby County would like to encourage redevelopment in older communities that generally have little available land and neighborhoods that have been blighted by an out-migration of residents and businesses. Current law allows Shelby County to gift tax delinquent properties to nonprofit community development organizations only for single family residential use. Shelby County would like to have the authority to gift tax delinquent properties to nonprofit community development organizations for usage other than single family residential use as deemed appropriate by the officers of the County.

II. Source and Amount of Funding

Not applicable.

III. Contract Items

Not applicable.

IV. Additional Information Relevant to Approval of this Item

Text of proposed legislation is attached.

ITEM NO: _____

PREPARED BY: Kimbra Toney-Bernard

APPROVED BY: Christy L. Kinard *CK*
Assistant County Attorney

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, REQUESTING THE MEMBERS OF THE TENNESSEE GENERAL ASSEMBLY TO SUPPORT LEGISLATION AMENDING TENNESSEE CODE ANNOTATED, TITLE 67, CHAPTER 5, SECTION 2509(d)(4) RELATIVE TO GIFTING PROPERTIES TO NONPROFIT COMMUNITY DEVELOPMENT ORGANIZATIONS. SPONSORED BY COMMISSIONER HENRI BROOKS.

WHEREAS, Land is one of the most important factors in local economic development today and must be managed well to improve existing land use practices, enhance livability of communities, and support local community development; and

WHEREAS, When there are vacant and abandoned properties in communities, neighboring property owners and the municipalities incur significant costs; and

WHEREAS, When property owners abandon their properties, the local municipality must use its own resources to clean and maintain the properties as part of their nuisance abatement responsibilities to protect the public health, safety, and welfare of its community; and

WHEREAS, Shelby County would like to encourage redevelopment in older communities that generally have little available land and neighborhoods that have been blighted by an out-migration of residents and businesses; and

WHEREAS, Current law allows Shelby County to gift tax delinquent properties to nonprofit community development organizations only for single family residential use; and

WHEREAS, This requirement limits the use of tax delinquent properties for nonprofit community development organizations and Shelby County wishes to have the authority to gift tax delinquent properties to nonprofit community development organizations for usage other than single family residential use as deemed appropriate by the officers of the County; and

WHEREAS, the Board of County Commissioners of Shelby County, Tennessee, believes that it is appropriate that a resolution be passed requesting the Tennessee General Assembly to amend Tennessee Code Annotated, Title 67, Chapter 5, Section 2509(d)(4) relative to gifting properties to nonprofit community development organizations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, that this Board, after careful consideration hereby requests the Shelby County Legislative Delegation and members of the Tennessee General Assembly to enact legislation amending Tennessee Code Annotated, Title 67, Chapter 5, Section 2509(d)(4), a copy of which is attached hereto and made a part hereof, amending Tennessee Code Annotated, relative to gifting properties to nonprofit community development organizations.

BE IT FURTHER RESOLVED, that the Shelby County Legislative Delegation and members of the Tennessee General Assembly be made aware of this request by copy of this resolution.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, the public welfare requiring the same.

A C Wharton, Jr., County Mayor

Date: _____

ATTEST:

Clerk of County Commission

ADOPTED: _____



AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5, Section 2509(d)(4), relative to gifting properties to nonprofit community development organizations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

Section 1. Tennessee Code Annotated Section 67-5-2509(d) (4) is amended by deleting that subsection in its entirety and replacing it with the following:

In any county having a population in excess of eight hundred thousand (800,000), according to the 2000 federal census or any subsequent federal census, in lieu of the sale to private purchasers as provided in subsection (b), the proper officers of the municipality or county may convey property to a nonprofit community development corporation for the purpose of constructing or restoring residential dwellings and thereby creating affordable and habitable housing for the disadvantaged and needy or for purposes wherein use by the nonprofit community development corporation is deemed by the proper officers of the municipality or county to inure to the benefit of the area the recipient nonprofit community development corporation is chartered or authorized to serve. The property may be conveyed on terms deemed appropriate to the proper officers of the municipality or county, except that under no circumstances shall the nonprofit community development corporation be required to pay the taxes, penalties or interest for which the property was sold.

Section 2. This Act shall take effect upon becoming a law, the public welfare requiring it.